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C O N F I D E N T I A L SECTION 01 OF 03 STATE 105685

SENSITIVE SIPDIS

E.O. 12958: DECL: 10/02/2018 TAGS: PREL UNGA SP KV RU GG AF SUBJECT: (U) ASSISTANT SECRETARY FRIED'S SEPTEMBER 26, 2008 ONVERSATION WITH SPANISH DEPUTY FOREIGN MINISTER ANGEL LOSSADA

Classified By: Classified by EUR Assistant Secretary Fried. Reason: 1.4 (d)

- 11. (U) September 26, 2008; 3:30 p.m.; New York.
- 12. (C) Participants:

U.S. Assistant Secretary Fried Elaine Samson, Spain Desk Officer

SPAIN Deputy Foreign Minister Angel Lossada Chief of Staff Juan Sell Belen Alfaro, Spanish Mission to the UN

(C) SUMMARY. Assistant Secretary Fried and Deputy Foreign Minister Angel Lossada held a bilateral meeting on the margins of UNGA. They discussed FM Moratinos, recent trip to the Middle East and his optimistic views on progress in Israeli-Palestinian peace negotiations. They also discussed the crisis with Georgia and Russia, Afghanistan and Kosovo. END SUMMARY.

Positive Developments in the Middle East

(C) A/S Fried noted that at the Transatlantic lunch, he was struck by FM Moratinos, speech describing his recent trip to the Middle East. Fried and General Frazer characterized it as the most upbeat speech they had ever heard from Moratinos, who highlighted positive developments in the economy in the Palestinian territories, the security situation in Jenin and other improvements that are evident on the ground. A/S Fried was surprised at his optimism because FM Moratinos knows the players and the situation on the ground from his time at EU Special Representative for the MEPP and has credibility assessing these issues. Deputy FM Lossada accompanied Moratinos on that trip and noted that it was clear that Israel and the PA had been working steadily and made progress over the past few months on the various issues. Both Lossada and Moratinos agreed that Turkey,s work as an intermediary between Israel and Syria has been very constructive, but that the discussions are still fragile.

15. (C) Fried and Lossada noted that the challenge is how to preserve the ongoing progress over the next few months. If we don,t get the optimal solution of a framework agreement by the end of 2008, how do we preserve the progress that has been made for the next Administration? We need to leave the situation better off than we found it for our successors. The Annapolis process of a bottom-up strategy to build institutions and get popular support seems to be producing better results than previous top-down attempts.

RUSSIA/GEORGIA

16. (C) Fried added that despite our disagreement with Russia on Georgia, we have to continue to work with it on other issues at the same time. Specifically, we want to work with Russia on Iran, which Secretary Rice discussed with Russian FM Lavrov. Fried reported that the P5 1 had agreed on a UN Security Council Resolution (UNSCR) on Iran, despite many having written off the P5 1 process. The USG never gave up on the P5 1 and persevered until it succeeded. Secretary

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Rice, s speech on Russia left openings for Russia. No one wants a confrontation with Russia, but we cannot let Russia change international borders by war. The United States worked closely with the EU on this crisis, and President Sarkozy, acting as EU President, was able to talk with Russia, without the sensitivities that would have arisen if the U.S. took the lead. Fried noted that it is crucial to maintain European and Transatlantic solidarity toward Russia. Russia is trying to see if it will run into serious opposition by not complying with the ceasefire agreement. Russia also will try to buy off EU countries dependent on energy supplies. It will be a challenge for Europe and the United States to find a way to work with Russia without letting Russia think it is &business as usual.8

17. (C) Lossada said that Spain fully backs Sarkozy and his quick action, terming it a very successful EU, and OSCE, intervention. He stressed that a confrontation with Russia which could lead to a greater crisis serves nothing. Spain agrees that Russia must fulfill the terms it agreed to, and the international community must follow through with the EU Ceasefire Monitoring Mission. Spain fully supports Georgia,s territorial integrity, and its freedom to choose its friends and which associations to join. However, when the time is right, we will need to continue forward with relations with Russia, but they must be based on clear principles. We must engage seriously with Russia and see what Russia wants. A/S Fried replied that Russia wants a sphere of influence and the right of intervention on behalf of Russian citizens, and that is unacceptable.

AFGHANISTAN

(C) A/S Fried described plans to build up the Afghan National Army, and address the other security and development challenges in Afghanistan. It must be a coordinated effort, not just military increases, but more in all areas. Lossada noted that Spain has strong military cooperation in Afghanistan, it is their second largest overseas troop deployment, after UNIFIL. He also said that Spain has suffered more casualties in Afghanistan than any other ongoing operation. He mentioned the new training camp in Baghdis for an ANA battalion, and the project with Poland and UAE for an agricultural school. Lossada noted that Spain takes a multi-facted approach to its contribution in Afghanistan. Lossada said that it is important to figure out how to make the Afghan government work better. The Afghan people need to see how this huge international presence translates into better GOA performance.

KOSOVO

19. (C) A/S Fried asked if Spain would recognize Kosovo at some point. He acknowledged that domestic considerations made this difficult, but that internal stability in Kosovo was important and other countries which had not recognized Kosovo were finding other practical measures they could do that would help. Fried cited the example that Greece had decided to recognize Kosovar passports. He expressed U.S. appreciation that Spain has remained part of EULEX, and noted that the United States has joined EULEX, putting U.S. troops under EU command for the first time. He stressed that EULEX must deploy throughout Kosovo to guaranted security and stability n the territory.

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110. (C) Lossada said Spain would not recognize Kosovo &in the foreseeable future, 8 but that Spain was trying to contribute as much as possible to maintain regional stability. He noted that Spain is also trying to help Serbia, and encourage the best Serbian government possible. Lossada said he thought it would be possible to work together on some practical measures which would help regional stability.